

P.U.C. PUBLIC HEARING
CARLYLE - VERIZON
KAUNAKAKAI, MOLOKAI
OCTOBER 13, 2004

ALOHA, MY NAME IS BARBARA HALINIAK, PRESIDENT OF THE MOLOKAI CHAMBER OF COMMERCE, I'M ALSO A RETIREE OF GTE HAWAIIAN TEL, A BUSINESS OWNER AND A CUSTOMER OF VERIZON'S TELEPHONE AND DSL SERVICES.

MY TESTIMONY IS A REPRESENTATION OF THE MOLOKAI CHAMBER'S MEMBERSHIP. WE ARE AN INDEPENDENT CHAMBER NOT AN AFFILIATE OF ANOTHER CHAMBER, HOWEVER WE ENJOY A STRONG PARTNERSHIP WITH OTHER STATEWIDE CHAMBERS.

CURRENTLY, WE HAVE 85 MEMBERS; 70 ARE BUSINESSES, 8 INDIVIDUALS, AND 7 RETIREES. THE 70 BUSINESS MEMBERS ARE MADE UP OF; RETAIL STORES, AN INTER ISLAND FERRY SYSTEM, FINANCIAL INSTITUTIONS, A LOCAL NEWSPAPER, MANUFACTURERS OF MOLOKAI MADE PRODUCTS, A BAKERY, GIFT SHOPS, FARMERS BOTH AGRICULTURE AND AQUACULTURE, A HOSPITAL, A PRIVATE SCHOOL, HOTELS, SUPPORT SERVICE AGENCIES, HOSPITALITY, AND SERVICE BUSINESSES.

THE MOLOKAI CHAMBER OF COMMERCE WELCOMES BUSINESS COMMERCE THAT SUPPORT AND BUILD OUR LOCAL ECONOMIC BASE. WE UNDERSTAND THAT CARLYLE'S PLAN IS TO RECREATE BACK OFFICE SYSTEMS THAT ARE CURRENTLY RESIDING ON THE MAINLAND. FROM A CHAMBER'S PERSPECTIVE, IT'S ALWAYS GOOD TO HAVE MORE JOBS IN HAWAII. MORE JOBS MEAN MORE INVESTMENT TO OUR STATE. AND WE HOPE THAT CARLYLE'S PURCHASE OF VERIZON WILL OPEN UP OPPORTUNITIES FOR OUR ISLAND ALSO.

FOR EXAMPLE; LOCATING OR OUTSOURCING SOME OF THE COMPANY'S OPERATIONS, I.E., BILL COLLECTIONS OR TECHNICAL SUPPORT TO MOLOKAI. WE ENCOURAGE CARLYLE TO EXPLORE MOLOKAI AS AN OPTION FOR THESE BACK OFFICES RELOCATION, WE HAVE THE MANPOWER AND WITH PROPER TRAINING CAN BE AS COMPETITIVE AS ANY OTHER ISLAND WORKFORCE. CURRENTLY, OUR UNEMPLOYMENT RATE IS 16%, THEREFORE, JOBS OR OUTSOURCING THESE SERVICES COULD HELP TO REDUCE THIS DOUBLE DIGIT RATE, BUILD OUR ECONOMIC BASE AND BRING TAX REVENUES TO THE COUNTY OF MAUI.

WE SEE WHAT OTHER U.S. COMPANIES HAVE DONE BY OUTSOURCING TO FOREIGN COUNTRIES. IT IS DIFFICULT TO DO BUSINESS. MANY OF US KNOW THAT WHEN WE CALL FOR SOFTWARE TECHNICAL SUPPORT WE USUALLY LAND UP IN INDIA AND SPEAKING TO A FOREIGN PERSON AND CONSTANTLY SAYING "EXCUSE ME, WHAT DID YOU SAY."

WE UNDERSTAND THAT CARLYLE HAS STATED THAT THEY WILL RETAIN THE CURRENT EMPLOYEES AND WE FULLY SUPPORT THIS PLAN AS WE ARE CONFIDENT THAT THE EXISTING EMPLOYEES AND CURRENT ADMINISTRATION WILL CONTINUE TO DO A GREAT JOB AS IN THE PAST.

VERIZON IS A GOOD COMPANY, THEY HAVE GOOD PEOPLE BOTH WORKING IN AND RUNNING THE COMPANY. I HAD THE PRIVILEGE OF WORKING WITH SOME OF THE CURRENT EMPLOYEES AND STILL DO IN MY CAPACITY AS MOLOKAI CHAMBER'S PRESIDENT.

AS YOU KNOW, MOLOKAI IS A RURAL ISLAND AND WE CHOOSE TO LIVE A RURAL LIFESTYLE, THUS WHEN A COMPANY LIKE CARLYLE SAYS THAT IT'S APPROACH TO THINGS WILL BE LOCAL, NOT MAINLAND, WE ARE HAPPY TO HEAR THIS. WE ARE A UNIQUE STATE WITH UNIQUE LOCAL WAYS OF DOING BUSINESS, AND WE INVITE BUSINESSES FROM OUT OF STATE TO DO BUSINESS IN THE SAME UNIQUE WAY.

IN CLOSING, I WOULD LIKE TO SAY THAT THE MOLOKAI CHAMBER OF COMMERCE SUPPORTS CARLYLE'S PURCHASE OF VERIZON AND THEIR PLEDGE TO BE A LOCAL COMPANY.